

HOUSE BILL 3511

By Richardson

AN ACT to amend Tennessee Code Annotated, Title 5;
Title 6; Title 7 and Title 9, relative to public fund
deposits in financial institutions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1.

(a) When a decision is being made by the appropriate official of a governmental entity concerning the deposit of state or local funds with a bank or other financial institution, a preference shall be given to those banks or other financial institutions that agree to provide low dollar loans to citizens of this state. The bank of other financial institution shall file its intent to make such loans with the governmental entity and, in addition, file an annual report showing the number of low cost loans made during the year. The governmental entity shall make its decision annually on where the deposits shall be made based on such reports filed with the governmental entity.

(b) As used in this act a low dollar loan means a loan of less than five hundred dollars (\$500).

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.